

AWARD RECOMMENDATION

Notice of Intent to Award Number: 240000000420

The Department of Technology, Management, & Budget’s Procurement office has completed the evaluation of Request for Proposal No. 240000000702 - Specialty Paper and Envelopes and has recommended an award to Central Michigan Paper Company in the amount of \$19,007,684, pending State Administrative Board approval, if applicable. More information on the State Administrative Board can be found at: [State Administrative Board](#).

Bidders who were not recommended for the award are encouraged to schedule a debriefing session with the Solicitation Manager. The debriefing session will provide the bidder with the State’s rationale on why the bidder was not recommended for the award. The Solicitation Manager may be contacted as follows:

Jordana Sager, Solicitation Manager.
 Sagerj2@michigan.gov
 517-896-1903

Background Information:

This Request for Proposal (RFP) was to solicit responses for selection of a Contractor to provide Specialty Paper and Envelopes. The term of this contract is five-years with up to three additional one-year renewal options.

Bidders:

The RFP was posted on SIGMA VSS on Monday, January 22, 2024, for 25 days. The following bidders submitted proposals by the published due date of February 15, 2024.

Bidder	Address, City, State, Zip Code	SDVOB*	GDBE**
Central Michigan Paper Company	6194 E Fulton Road, Ada MI 49301	No	No
Millcraft Paper Company	47440 Michigan Ave, Canton MI 48188	No	No

*SDVOB: Service-Disabled Veteran Owned Business

**GDBE: Geographically Disadvantaged Business Enterprise

EVALUATION SYNOPSIS

I. Evaluation Process

A Responsible Vendor is a vendor that demonstrates it has the ability to successfully perform the duties identified by the solicitation. A Responsive proposal is one that is submitted in accordance with the solicitation instructions and meets all mandatory requirements identified in the solicitation.

Proposal Instructions: Evaluation Process

	Technical Evaluation Criteria	Weight
1.	Product Quality – Schedule A, Statement of Work, Sections 1	20
2.	Service Capabilities – Schedule A, Statement of Work, Sections 2	40
3.	Delivery Capabilities – Schedule A, Statement of Work, Section 3-10	20
4.	Vendor Questions Worksheet	20
	Total	100

Proposals receiving 80 or more technical evaluation points will have pricing evaluated and considered for award.

Samples will be evaluated if Bidder is proposing alternate “equal or better” as follows:

Sample Evaluation Criteria (if proposing Alternate “Equal or Better”) Failure in any one of these areas will disqualify the Proposed Alternate.		Weight
1.	Weight	Pass/Fail
2.	Color/ Brightness	Pass/Fail
3.	Compatibility with Equipment- Sample will be tested to ensure that product processes through equipment properly	Pass/Fail

II. Evaluation Method

Responses to this solicitation were reviewed by a Joint Evaluation Committee, which consisted of the following individuals:

Voting	Voting
Kristen Hampton, Director DTMB	Brian Rennaker, Division Director, Legislative Service Bureau
Jerry Monroe, Department Manager DTMB	Valerie Hiltz, Category Specialist DTMB - CPS
Joseph Stambaugh, Manager MDOC	Jordana Sager, Category Analyst, DTMB - CPS

III. Evaluation Results

A. Central Michigan Paper Company

The Evaluation Team determined that Central Michigan Paper Company based on a score of 98, did meet the requirements of this RFP. This determination was accomplished by evaluating their responses to the Technical Evaluation Criteria.

1. Schedule A, Statement of Work, Sections 1 – 4 20/20
 The Evaluation Team determined that overall, the responses were satisfactory.
2. Schedule A, Statement of Work, Sections 5 40/40
 The Evaluation Team determined that overall, the responses were satisfactory.
3. Schedule A, Statement of Work, Sections 6 19/20
 The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:
 - a. 3.2 Organizational Chart – The Bidder did not meet the State’s requirement related to the organizational chart.
4. Vendor Questions Worksheet 19/20
 The Evaluation Team determined that overall, the responses were mostly unsatisfactory and the following deficiencies were noted:
 - a. Section 9 Labor, Antidiscrimination and Environmental Laws - The Bidder did not provide a response.

Total Score: 98/100

B. Millcraft Paper Company

The Evaluation Team determined that Millcraft Paper Company based on a score of 59, did not meet the requirements of this RFP. This determination was accomplished by evaluating their responses to the Technical Evaluation Criteria.

1. Schedule A, Statement of Work, Sections 1 14/20
 The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:
 - a. 1.1.B. Alternates - The Bidder did not include the alternate’s “see attached file” in the bid response.
 - b. 1.2.A. Warranties – The Bidder did not provide any temperature/humidity information for paper storage.
 - c. 1.2.B. Warranties – The Bidder did not explain what constituted usable or defective product, nor did they indicate who made that determination. Bidder didn't provide the length of the warranties.
 - d. 1.2.C. Warranties – The Bidder indicated there are warranty programs but did not provide any details.
 - e. 1.5.A. Transition – Contract Execution - The Bidder did not include the “credit application” referred to in the Bidder’s response.
 - f. 1.5.A. Transition – Contract Execution - The Bidder did not provide detailed information on how the State would be transitioned if awarded.
2. Schedule A, Statement of Work, Sections 2 33/40

The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:

- a. 2.1.A. Warehousing - The Bidder did not meet the State's requirements related to the amount of space allotted
 - b. 2.1.A. Warehousing - The Bidder did not meet the State's requirements related climate-controlled warehousing.
 - c. 2.2. Supply Chain Management - The Bidder did not address the question.
 - d. 2.2.D. Supply Chain Management -Forward Planning - The Bidder does not have guaranteed allocations from any mills and did not adequately address future allocations based on past experiences.
 - e. 2.5. Reporting - The Bidder did not provide a response.
- 3. Schedule A, Statement of Work, Sections 3-10** 8/20

The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:

- a. 3.2. Organizational Chart - The Bidder did not meet the State's requirement related to the organizational chart.
- b. 3.4. Security – The Bidder did not indicate who they intend to use for background to perform background checks or the scope of the checks.
- c. 3.5. Michigan Economic Impact – The Bidder did not provide a response.
- d. 4.3. Electronic Catalog – The Bidder did not provide an explanation for the exception.
- e. 5.3. Order Verification – The Bidder did not describe a verification process.

4. Vendor Questions Worksheet 8/20

The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:

- a. 5. Experience 1 - The JEC determined this experience was dissimilar in scope and smaller in size.
- b. 5. Experience 2 - The JEC determined this experience was similar in scope, but smaller in size.
- c. 5. Experience 3 - The JEC determined this experience was dissimilar in scope and smaller in size.

Total Score: 63/100

IV. Technical Evaluation Summary

	Selection Criteria	Central MI Paper	Millcraft Paper
1	Schedule A, Statement of Work, Sections 1-4	20	14
2	Schedule A, Statement of Work, Sections 5	40	33

3	Schedule A, Statement of Work, Section 6	19	8
4	Vendor Questions Worksheet	19	8
	Total	98	63

V. Pricing Summary

Pricing was evaluated for the bidders who passed technical. The following is a summary of their price proposals:

Deliverable		Round # 1	Round # 2
1	Specialty Paper	\$ 9,151,093	\$ 9,733,027
2	Envelopes	\$ 9,274,656	\$ 9,274,656
	Total Price	\$ 18,425,749	\$ 19,007,684

VI. Negotiations

Before second round pricing could be requested, the Bidder notified the Solicitation Manager’s designee, Valerie Hiltz, to inform the State of an additional mill line closing and forwarded three letters announcing price increasing from paper manufacturers. The Bidder was willing to hold the round # 1 submitted proposal pricing for six months and include the price increase with increases that occur during the six-month period. It was determined it would be better for the State to avoid a double increase in six-months and absorb the increase immediately.

VII. Award Recommendation

Award recommendation is made to the responsive and responsible Bidder who offers the best value to the State of Michigan. Best value is based on the proposal meeting the minimum point threshold and offering the best combination of the factors stated in the *Proposal Instructions Evaluation Process* section, and price.

Central Michigan Paper provided the best value to the State. Best value factors for Award Recommendation includes guaranteed future allocations from mills, climate-controlled storage, same day delivery to print houses, the willingness to purchase and hold paper stock for an indefinite period of time, use of Michigan-based suppliers with economic impact information provided, and the knowledge of the industry including forward planning and risk mitigation.

As part of the best value determination, overall economic impact to the State of Michigan was considered and is not a determinative factor in making this award.

Award Recommendation is made to Central Michigan Paper Company in the amount of \$19,007,684.